**Frequently Asked Questions**

**When does PPN 01/21 apply from?**

PPN 01/21 applies to all procurements being advertised after 1st June 2022. Contracting Authorities can allocate a score to social value ahead of this date if they wish to do so.

**What contracts does PPN 01/21 apply to?**

The 10% minimum score for social value will apply services and works above the threshold where the Procurement Regulations apply.

Where appropriate, Departments can also score for social value on contracts outside of these thresholds. Departments can also give greater weight to social value than the 10% minimum.

**Does PPN 01/21 apply to Utilities Contracts?**

Yes, PPN 01/21 will apply to services and works contracts above the thresholds set out in the Utility Contract Regulations 2016.

**Does PPN 01/21 apply when the contract is likely to be delivered from outside of Northern Ireland?**

Yes PPN 01/21 still applies. You are encouraged to carry out pre-procurement engagement to ensure that appropriate themes/indicators are selected. Remote delivery is an option for some of the social value initiatives, while other initiatives deliver social value by improving conditions for the employees working on the contract or reducing the environmental impact of the contract, regardless of location.

**Can overseas suppliers be mandated to deliver the social value benefits in Northern Ireland?**

Whilst we can encourage bidders as much as possible to deliver the initiatives in Northern Ireland they cannot be mandated to do so because non-local bidders must not be discriminated against.

We encourage bidders to deliver the benefits in Northern Ireland as much as possible by, for example:

* Setting out that PPN 01/21 is a Northern Ireland Executive Commitment
* Stating that the Supplier may deliver the social value requirements remotely
* Maintaining [a database of broker organisations based within Northern Ireland](https://buysocialni.org/contractors/find-a-broker/) that can support contractors to deliver their social value requirements both in person and remotely.
* Requiring that the Supplier notifies the social value requirements listed to one or more of [the brokers registered on the Social Value website](https://buysocialni.org/contractors/find-a-broker/). In relation to paid employment opportunities, the Supplier must also notify the job opportunities to [www.jobapplyni.com](http://www.jobapplyni.com)
* Encouraging Suppliers and Contract Managers to discuss and plan the delivery of the social value requirements at contract management meetings to ensure social value is maximised.

**Is it a requirement to score social value in contracts that have been reserved?**

Yes, if the contract is a services or works contract above the threshold where the Procurement Regulations apply.

**Does PPN 01/21 apply to frameworks?**

Yes, PPN 01/21 applies to frameworks. If social value is to be included as criteria at call-off stage it must be explicitly provided for in the framework agreement. Please contact the Social Value Unit for advice.

**What happens if Lots are being used and the value of one Lot is below the threshold and in another Lot it is above the threshold?**

It is mandatory to allocate 10% of the award criteria to Social Value in services and works contracts where the Public Contract Regulations apply, Contracting Authorities are however encouraged to include social value in contracts below these thresholds.

Contracting Authorities are required to take into account the total estimated value of all lots when calculating the relevant threshold for the application of PCR. Contracting Authorities can award contracts for individual lots without applying the Regulations if the lot is less than £ 70,778 for services and £ 884,720 for works contracts and is less than 20% of the aggregate value of all lots.

If the contract value per supplier is anticipated to be above £250,000 per annum, the Social Value Points Approach should be applied. If the contract value per supplier is anticipated to be below £250,000 per annum, the Alternative Approach should be applied and an appropriate indicator selected.

**The bidder has committed that they will comply with legal requirements in relation to the social value indicators, e.g. Fair Work, Human Rights. Is this considered social value?**

The social value asked for/delivered must be additional to the legal requirements. Social value is about going beyond the minimum legal requirements.

**Can a bidder’s Corporate Social Responsibility (CSR) statements, policies and/or case studies be accepted as proof of how they intend to deliver the social value indicators?**

No CSR refers to how the organisation performs corporately. It is not contract-specific and therefore will not adequately address the social value award criteria.

**Can the 10% score be split across the themes/indicators and prioritising some over others?**

When using the Alternative Approach, you should agree the split across the selected indicators.

**Is there a minimum score for social value, will the bidder be eliminated for submitting a poor response?**

You are encouraged to set a minimum threshold for the social value criteria (e.g. a tenderer’s response will be rejected if they score 2 or below for the social value criteria).

**What happens if a Supplier does not deliver on their social value commitments?**

The social value requirements set out should be proportionate and achievable. It is the responsibility of the Client Project Manager to regularly review the Social Value Delivery Reports to monitor Supplier performance against the social value requirements.

As set out in PPN 01/21, poor performance by the Supplier on the delivery of the social value requirements must be addressed in accordance with the recommendations on poor contractor performance set out in Procurement Guidance Note PGN 01/12: Contract Management Principles and Procedures.

The Contracting Authority may wish to consider developing Key Performance Indicators for social value at pre-procurement stage for inclusion within the contract documents. These must be clearly drafted, achievable and reflect the importance of the social value requirement to the project as a whole. You will need to conduct frequent reviews to ensure data is being collated and reported.

**Does the following requirement from the PPN apply to all contracts or just services and works contracts over the Procurement Thresholds? *“As part of its pre-procurement deliberations Departments must consider the potential to reserve a contract under the Public Contracts Regulations (PCR) 2015.”***

This element of the PPN applies to goods, services and works contracts.